This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

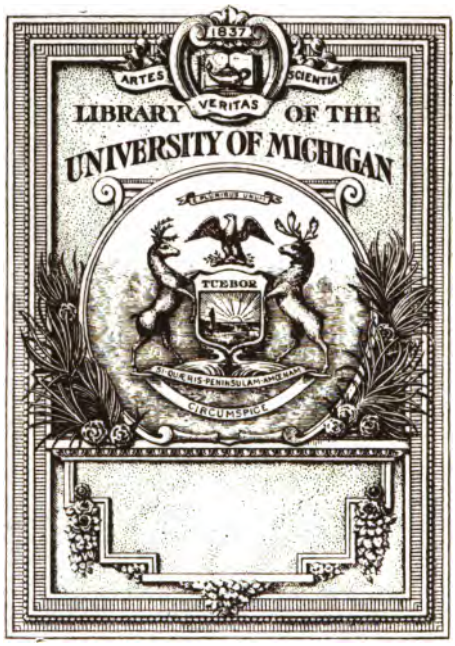
Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

+ *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
+ *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
+ *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
+ *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at `http://books.google.com/`


1837
ARTES
VERITAS
SCIENTIA
LIBRARY OF THE
UNIVERSITY OF MICHIGAN
TUEBOR
SI QUÆRIS PENINSULAM AMŒNAM
CIRCUMSPICE

Workmen's Compensation Law

of the

State of Michigan

Revised August, 1915, with Amendments and Supplementary Acts.

Math.-Econ.
Library

HD
7816
.J17
M5
1915

Copyright, 1915, by
F. ROBERTSON JONES
New York

014717 ⊙

CONTENTS

PAGE

Digest of the Workmen's Compensation Law..... 5

Text of the Workmen's Compensation Law..... 11

Text of the law requiring insurance adjusters to procure certificate of authority 29

Text of the law regulating classification of risks, premiums, etc..... 30

Text of the law authorizing mutual liability companies to do business.. 31

Digest of the Michigan Workmen's Compensation Law*

TITLE, ETC.

Act No. 10, Public Acts of 1912 (Extra Session). Approved March 20, 1912. In effect September 1, 1912 (Pt. VI, §8). As amended by Acts Nos. 50, 79 and 156, Public Acts of 1913, in effect August 13, 1913, and by Act No. 259, Public Acts of 1913, in effect May 7, 1913; as further amended by Senate Bill 268 and House Bill 342, Public Acts of 1915, effective August 23, 1915; and by House Bills 298 and 345, Public Acts of 1915, effective May 7, 1915. Supplemented by House Bill 309 and Senate Bills 281 and 386, Public Acts of 1915, effective August 23, 1915.

SYSTEM PROVIDED FOR

Compensation with insurance or proof of financial responsibility, elective;—but compulsory as to State, counties, etc., without obligation to insure, etc. (Pt. I, §§4, 5, 7, 8; Pt. IV, §1). Supervised by Industrial Accident Board (Pt. III).

HOW ELECTED

Employer may elect at any time by filing written declaration of acceptance with Board and posting notice in place of business within 10 days after Board's approval (Pt. I, §6). Employee's acceptance is presumed where employer has accepted, unless written notice of contrary election is given employer at time of hiring or within 30 days after employer's election (Pt. 1, §8).

HOW ELECTION CHANGED

Employer may rescind his acceptance at the expiration of any yearly period thereafter by filing notice with Board thirty days prior thereto (Pt. I, §6). Subscription to State Accident Fund expires at the end of each yearly period unless annually renewed (Pt. V, §6). Employee's election to reject may be changed at any time by five days' written notice to employer (Pt. I, §8). No provision for changing election to accept.

* The headings of this Digest conform in substance and order with those of the "Digest of Workmen's Compensationn and Insurance Laws in the United States" (compiled by F. Robertson Jones and published by the Workmen's Compensation Publicity Bureau, 80 Maiden Lane, New York City)—so that the former supplements the latter.

ALTERNATIVE LIABILITY

If employer does not accept Act, he is liable for damages in case of injury to employee, with the defenses of assumption of risks, fellow servant's fault and contributory negligence abrogated, except in actions by household domestic servants or farm laborers (Pt. I, §§1, 2). Lydman v. De Haas, 151 N. W. 718. If employer accepts and employee does not, such defenses remain (Pt. I, §§3-4).

EMPLOYMENTS COVERED

All public, except as officials, and all private, except casual or not in usual course of trade, business, etc., of employer (Pt. I, §§5, 7). Agler v. Mich. Agr. College, 148 N. W. 341. Blynn v. City of Pontiac, 151 N. W. 681.

EMPLOYMENT IN INTERSTATE COMMERCE

Act applies to employers and their workmen engaged in interstate or foreign commerce, for whom a rule of liability or method of compensation has been or may be established by Congress, only to the extent that their mutual connection with intrastate work may be clearly separable from interstate or foreign commerce; but any such employer and his workmen working only within the state, may, subject to the approval of the Industrial Accident Board, and so far as not forbidden by any act of Congress, voluntarily accept provisions of act in like manner as other employers (Pt. VI, §4).

INJURIES COVERED

Personal injuries arising out of and in course of employment, unless due to wilful misconduct (Pt. II, §§1, 2). Jendrus v. Detroit Steel Products Co., 144 N. W. 563; Clem v. Chalmers Motor Co., id. 848; Raynor v. Sligh Furniture Co., 146 N. W. 665; McCoy v. Mich. Screw Co., 147 N. W. 572; Hills v. Blair, 148 N. W. 243; Bayne v. Riverside Storage Co., id. 412; Adams v. Acme White Lead & Color Works, id. 485; Grove v. Mich. Paper Co., 151 N. W. 554; Klawinski v. L. S. & Mich. S. Ry., 152 N. W. 213; Gignac v. Studebaker Corp'n., id. 1037.

NOTICE OF INJURY AND CLAIM FOR COMPENSATION

Written notice stating prescribed particulars must be served on employer or his agent within three months after injury. Inaccuracy no bar unless employer or his insurer is misled thereby. Knowledge excuses notice. Claim must be made within six months, unless excused for incompetency (Pt. II, §§15-18).

WAITING PERIOD

First two weeks of disability. Compensation commences fifteenth day after disability; but if disability continues eight weeks, compensation is payable from date of injury (Pt. II, §3).

MEDICAL AND SURGICAL AID

Employer must furnish reasonable medical aid, etc., when needed during first three weeks after injury (Pt. II, §4).

COMPENSATION FOR TOTAL DISABILITY

Fifty per cent of average weekly wages, maximum $10, minimum $4, weekly; maximum period 500 weeks; maximum amount $4,000 (Pt. II, §9).

COMPENSATION FOR PARTIAL DISABILITY

Fifty per cent of average loss in earning power, maximum $10 weekly; maximum period 300 weeks. Special schedule for loss of certain members, etc. (Pt. II, §10). Limron v. Blair, 147 N. W. 546.

COMPENSATION FOR DEATH

If total dependents 50 per cent of average weekly wages, maximum $10, minimum $4 weekly for remainder of period between death and 300 weeks after injury. If partial dependents, such percentage of above as amount contributed by deceased to such partial dependents bore to annual earnings of deceased. If no dependents, reasonable expenses of last sickness and burial, maximum $200 (Pt. II, §§5, 8).

AVERAGE WAGES—HOW COMPUTED

Average weekly wages to be 1/52 of average annual earnings. If not employed in same occupation for substantially a year preceding, average annual earnings to be 300 times average daily wage while so employed, or 300 times average daily wage of another person in same occupation and locality. If such method is not practicable, average annual earnings may be determined with regard to circumstances (Pt. II, §11). Andrewjwski v. Wolverine Coal Co., 148 N. W. 684.

WHO ARE DEPENDENTS

Certain persons are conclusively presumed totally dependent. In other cases dependency is determinable according to facts at time of accident. In all cases dependency is to be determined as of time of accident, irrespective of subsequent change in conditions. Dependents are limited to member of family, spouse, lineal descendant, ancestor, brother and sister (Pt. II, §§6, 7).

NON-RESIDENT ALIENS

Non-resident aliens are not to be excluded as dependents (Pt. II, §7).

MEDICAL EXAMINATION

Injured employee must submit to medical examination from time to time when requested by employer or insurer. Employee may have his own physician present. Refusal to submit suspends right to compensation, and may forfeit same for period of continuance (Pt. II, §19).

SETTLEMENT OF CLAIMS AND DISPUTES

Terms of compensation may be settled by agreement, subject to approval of Board (Pt. III, §5). Or by committee of arbitration, with a member of Board as chairman (Pt. III, §§6, 7), subject to review by Board (Pt. III, §11). If not otherwise settled then by Board direct (Pt. III, §16). Hills v. Blair, 148 N. W. 243; Bayne v. Riverside Storage Co., id. 412; Grove v. Mich. Paper Co., 151 N. W. 554; Vereeke v. City of Grand Rapids, id. 723.

RIGHT OF APPEAL

Within thirty days, final decisions of Board are subject to review by Supreme Court on questions of law only (Pt. III, §12). Reck v. Whittlesberger, 1 Nat. Comp. Journal 21.

MODIFICATION OF AGREEMENTS AND AWARDS

On request of employer, employee or insurer, weekly payments may be reviewed by Board, and ended, increased or diminished, if facts so warrant (Pt. III, §14).

COMMUTATIONS

After six months' payments, employer may redeem his liability by a lump sum by agreement, subject to approval of Board; or at any time the Board may direct commutation if special circumstances require (Pt. II, §22). Subject to Board's approval, employer may discharge his liability by paying value of future payments discounted at 3 per cent to a trustee or by purchasing an annuity (Pt. IV, §4).

PREFERENCE

In case of employer's insolvency, a claim for compensation is a first lien on all property of employer liable therefor, paramount to all other liens and claims except for wages and taxes (Pt. II, §21).

ASSIGNMENTS AND EXEMPTIONS

Compensation is not assignable; nor subject to attachment or garnishment, nor liable in any way for debts (Pt. II, §21).

PROCEEDINGS TO COLLECT COMPENSATION

Upon presentation to the Circuit Court of a certified copy of decision of Board or arbitration committee, judgment is to be rendered which has same force as though rendered in action (Pt. III, §13).

ATTORNEYS' LIENS AND FEES

Fees of attorneys and physicians for services under the Act are subject to the approval of the Board (Pt. III, §10).

MINORS AND INCOMPETENT PERSONS

Rights accruing to a minor or incompetent person may be enforced by his guardian or next friend (Pt. II, §14). As to parents' right of action for injuries to minor employee, see Mackin v. Detroit-Timkin Axle Co., 153 N. W. 49.

SUBROGATION

Where a right of action exists against a third party for injury sustained, the employee has the option either to sue third party for damages or to claim compensation. If compensation is paid, employer may enforce the liability of such third party for himself or for the benefit of his insurer (Pt. III, §15).

CONTRACTORS AND SUB-CONTRACTORS

No provision as to the liability of a principal to employees of his sub-contractor.

SUITS FOR DAMAGES

Where elected, compensation is the exclusive remedy for the injuries covered (Pt. I, §4). But where employer, having elected to insure in State Insurance Fund, is in default for premiums for fifteen days after demand, employee may sue employer for damages as if he had not elected to accept the Act (Pt. V, §5).

ACCIDENT PREVENTION

No provision.

REPORTS REQUIRED OF EMPLOYER

Employer must report to Board all injuries within ten days after occurrence; $50 fine for non-compliance (Pt. III, §17). Employers who are members of mutual association must submit books, pay roll, etc., to inspection of Insurance Commissioner upon request; penalty of $50 for refusal (Pt. V, §8).

"CONTRACTING OUT"

Forbidden (Pt. II, §20).

INSURANCE

Employer electing to accept Act must either (1) furnish Board with satisfactory proof of financial responsibility; (2) insure in some authorized liability company; (3) insure in some mutual association organized under laws of State; or (4) insure in State Accident Fund (Pt. IV, §1). Insurance does not discharge employer; employee may proceed for compensation against employer and in addition against insurer; but he cannot recover more than amount of compensation payable (Pt. IV, §2). Every insurance contract is deemed subject to Act, and provisions inconsistent therewith void (Pt. IV, §3). Upon request of five or more assenting employers having an aggregate of at least 3,000 employees, the Commissioner of Insurance is authorized to manage for employers a mutual insurance fund to be known as State Accident Fund (Pt. V). Employer subscribing to such Fund who knowingly misrepresents amount of pay roll on which premium is based, is guilty of a misdemeanor, punishable by $100 fine or thirty days' imprisonment, or both (Pt. V, §8). Liability and insurance companies must file with Commissioner of Insurance their classifications of risks and premiums, and discrimination therein is forbidden (Senate Bill 281, Acts of 1915).

MISCELLANEOUS PROVISIONS

No savings or insurance of employee to be taken into consideration in fixing compensation (Pt. II, §13).

CONSTITUTIONALITY

If compensation provisions of Act are adjudged unconstitutional, the period between injury or death and such adjudication is not to be computed as part of time limitation for commencement of damage suit (Pt. VI, §2). If Part V is adjudged unconstitutional, the remainder of Act is not to be affected thereby (Pt. VI, §6). Constitutionality of Act upheld by Michigan Supreme Court in Mackin v. Detroit-Timkin Axle Co., 153 N. W. 49.

TEXT OF THE LAW

ACT NO. 10, PUBLIC ACTS OF 1912, FIRST EXTRA SESSION

As amended by Acts Nos. 50, 79, 156 and 259, Public Acts of 1913, and by House Bills 298, 342, 345 and Senate Bill 268, Public Acts of 1915.

AN ACT to promote the welfare of the people of this state, relating to the liability of employers for injuries or death sustained by their employees, providing compensation for the accidental injury to or death of employees and methods for the payment of the same, establishing an industrial accident board, defining its powers, providing for a review of its awards, making an appropriation to carry out the provisions of this act, and restricting the right to compensation or damages in such cases to such as are provided by this act.

The People of the State of Michigan Enact:

PART I

MODIFICATION OF REMEDIES

Section 1. In an action to recover damages for personal injury sustained by an employee in the course of his employment, or for death resulting from personal injuries so sustained, it shall not be a defense:

(a) That the employee was negligent, unless and except it shall appear that such negligence was wilful;

(b) That the injury was caused by the negligence of a fellow employee;

(c) That the employee had assumed the risks inherent in or incidental to, or arising out of his employment, or arising from the failure of the employer to provide and maintain safe premises and suitable appliances.

Section 2. The provisions of section one shall not apply to actions to recover damages for personal injuries sustained by household domestic servants and farm laborers.

Section 3. The provisions of section one shall not apply to actions to recover damages for the death of, or for personal injuries sustained by employees of any employer who has elected, with the approval of the industrial accident board hereinafter created, to pay compensation in the manner and to the extent hereinafter provided.

Section 4. Any employer who has elected, with the approval of the industrial accident board hereinafter created, to pay compensation as hereinafter provided, shall not be subject to the provisions of section one; nor shall such employer be subject to any other liability whatsoever, save as herein

provided for the death of or personal injury to any employee, for which death or injury compensation is recoverable under this act, except as to employees who have elected in the manner hereinafter provided not to become subject to the provisions of this act.

Section 5. The following shall constitute employers subject to the provisions of this act:

1. The State, and each county, city, township, incorporated village and school district therein, and each incorporated public board or public commission in this State authorized by law to hold property and to sue or be sued generally;

2. Every person, firm and private corporation, including any public service corporation, who has any person in service under any contract of hire, express or implied, oral or written, and who, at or prior to the time of the accident to the employee for which compensation under this act may be claimed, shall in the manner provided in the next section, have elected to become subject to the provisions of this act, and who shall not, prior to such accident, have effected a withdrawal of such election, in the manner provided in the next section.

Section 6. Such election on the part of the employers mentioned in subdivision two of the preceding section, shall be made by filing with the industrial accident board hereinafter provided for, a written statement to the effect that such employer accepts the provisions of this act, and that he adopts, subject to the approval of said board, one of the four methods provided for the payment of the compensation hereinafter specified. The filing of such statement and the approval of said board shall operate, within the meaning of the preceding section, to subject such employer to the provisions of this act and all acts amendatory thereof for the term of one year from the date of the filing of such statement, and thereafter, without further act on his part, for successive terms of one year each, unless such employer shall, at least thirty days prior to the expiration of such first or any succeeding year, file in the office of said board a notice in writing to the effect that he desires to withdraw his election to be subject to the provisions of this act: Provided, however, That such employer so electing to become subject to the provisions of this act shall, within ten days after the approval by said board of his election filed as aforesaid, post in a conspicuous place in his plant, shop, minor place of work, or if such employer be a transportation company, at its several stations and docks, notice in the form as prescribed and furnished by the industrial accident board to the effect that he accepts and will be bound by the provisions of this act.

Section 7. The term "employee" as used in this act shall be construed to mean:

1. Every person in the service of the state, or of any county, city, township, incorporated village or school district therein, under any appointment, or contract of hire, express or implied, oral or written, except any official of the state, or of any county, city, township, incorporated village or school district therein: Provided, That one employed by a contractor who has contracted with a county, city, township, incorporated village, school district or the state, through its representatives, shall not be considered an employee

of the state, county, city, township, incorporated village or school district which made the contract;

2. Every person in the service of another under any contract of hire, express or implied, oral or written, including aliens, and also including minors who are legally permitted to work under the laws of the state who, for the purposes of this act, shall be considered the same and have the same power to contract as adult employees, but not including any person whose employment is but casual or is not in the usual course of the trade, business, profession or occupation of his employer.

Section 8. Any employee as defined in subdivision one of the preceding section shall be subject to the provisions of this act and of any act amendatory thereof. Any employee as defined in subdivision two of the preceding section shall be deemed to have accepted and shall be subject to the provisions of this act and of any act amendatory thereof if, at the time of the accident upon which liability is claimed:

1. The employer charged with such liability is subject to the provisions of this act, whether the employee has actual notice thereof or not; and

2. Such employee shall not, at the time of entering into this contract of hire, express or implied, with such employer, have given to his employer notice in writing that he elects not to be subject to the provisions of this act; or, in the event that such contract of hire was made before such employer became subject to the provisions of this act, such employee shall have given to his employer notice in writing that he elects not to be subject to such provisions, or without giving either of such notices shall have remained in the service of such employer for thirty days after the employer has filed with said board an election to be subject to the terms of this act. An employee who has given notice to his employer in writing as aforesaid that he elects not to be subject to the provisions of this act, may waive such claim by a notice in writing, which shall take effect five days after it is delivered to the employer or his agent.

PART II

COMPENSATION

Section 1. If an employee who has not given notice of his election not to be subject to the provisions of this act, as provided in part one, section eight, or who has given such notice and has waived the same as hereinbefore provided, receives a personal injury arising out of and in the course of his employment by an employer who is at the time of such injury subject to the provisions of this act, he shall be paid compensation in the manner and to the extent hereinafter provided, or in case of his death resulting from such injuries such compensation shall be paid to his dependents as hereinafter defined.

Section 2. If the employee is injured by reason of his intentional and willful misconduct, he shall not receive compensation under the provisions of this act.

Section 3. No compensation shall be paid under this act for any injury which does not incapacitate the employee for a period of at least two weeks,

from earning full wages, but if incapacity extends beyond the period of two weeks, compensation shall begin on the fifteenth day after the injury: Provided, However, That if such disability continues for eight weeks or longer, such compensation shall be computed from the date of the injury.

Section 4. During the first three weeks after the injury the employer shall furnish, or cause to be furnished, reasonable medical and hospital services and medicines when they are needed.

Section 5. If death results from the injury, the employer shall pay, or cause to be paid, subject, however, to the provisions of section twelve hereof, in one of the methods hereinafter provided, to the dependents of the employee, wholly dependent upon his earnings for support at the time of the injury, a weekly payment equal to one-half his average weekly wages, but not more than ten dollars nor less than four dollars a week for a period of three hundred weeks from the date of the injury. If the employee leaves dependents only partly dependent upon his earnings for support at the time of his injury, the weekly compensation to be paid as aforesaid shall be equal to the same proportion of the weekly payments for the benefit of persons wholly dependent as the amount contributed by the employee to such partial dependents bears to the annual earnings of the deceased at the time of his injury. When weekly payments have been made to an injured employee before his death the compensation to dependents shall begin from the date of the last of such payments, but shall not continue more than three hundred weeks from the date of the injury.

Section 6. The following persons shall be conclusively presumed to be wholly dependent for support upon a deceased employee:

(a) A wife upon a husband with whom she lives at the time of his death;

(b) A husband upon a wife with whom he lives at the time of her death;

(c) A child or children under the age of sixteen years (or over said age, if physically or mentally incapacitated from earning) upon the parent with whom he is or they are living at the time of the death of such parent, there being no surviving parent. In case there is more than one child thus dependent, the death benefit shall be divided equally among them. In all other cases questions of dependency, in whole or in part, shall be determined in accordance with the fact, as the fact may be at the time of the injury; and in such other cases, if there is more than one person wholly dependent, the death benefit shall be divided equally among them, and persons partly dependent, if any, shall receive no part thereof; if there is no one wholly dependent and more than one person partly dependent, the death benefit shall be divided among them according to the relative extent of their dependency. No person shall be considered a dependent, unless a member of the family of the deceased employee, or bears to him the relation of husband or widow, or lineal descendant, or ancestor, or brother, or sister.

Section 7. Questions as to who constitute dependents and the extent of their dependency shall be determined as of the date of the accident to the employee, and their right to any death benefit shall become fixed as of such time, irrespective of any subsequent change in conditions; and the

death benefit shall be directly recoverable by and payable to the dependent or dependents entitled thereto, or their legal guardians or trustees. In case of the death of one such dependent his proportion of such compensation shall be payable to the surviving dependents pro rata. Upon the death of all such dependents compensation shall cease. No person shall be excluded as a dependent who is a non-resident alien. No dependent of an injured employee shall be deemed, during the life of such employee, a party in interest to any proceedings by him for the enforcement of collection of any claim for compensation, nor as respects the compromise thereof by such employee.

Section 8. If the employee leaves no dependents the employer shall pay, or cause to be paid as hereinafter provided, the reasonable expense of his last sickness and burying, which shall not exceed two hundred dollars.

Section 9. While the incapacity for work resulting from the injury is total, the employer shall pay, or cause to be paid as hereinafter provided, to the injured employee a weekly compensation equal to one-half his average weekly wages, but not more than ten dollars nor less than four dollars a week; and in no case shall the period covered by such compensation be greater than five hundred weeks, nor shall the total amount of all compensation exceed four thousand dollars.

Section 10. While the incapacity for work resulting from the injury is partial, the employer shall pay, or cause to be paid as hereinafter provided, to the injured employee a weekly compensation equal to one-half the difference between his average weekly wages before the injury and the average weekly wages which he is able to earn thereafter, but not more than ten dollars a week; and in no case shall the period covered by such compensation be greater than three hundred weeks from the date of the injury. In cases included by the following schedule the disability in each such case shall be deemed to continue for the period specified, and the compensation so paid for such injury shall be as specified therein, to-wit:

For the loss of a thumb, fifty per centum of the average weekly wages during sixty weeks;

For the loss of a first finger, commonly called the index finger, fifty per centum of average weekly wages during thirty-five weeks.

For the loss of a second finger, fifty per centum of average weekly wages during thirty weeks;

For the loss of a third finger, fifty per centum of average weekly wages during twenty weeks;

For the loss of a fourth finger, commonly called little finger, fifty per centum of average weekly wages during fifteen weeks;

The loss of the first phalange of the thumb, or of any finger, shall be considered to be equal to the loss of one-half of such thumb, or finger, and compensation shall be one-half the amounts above specified;

The loss of more than one phalange shall be considered as the loss of the entire finger or thumb: Provided, However, That in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand;

For the loss of a great toe, fifty per centum of average weekly wage during thirty weeks;

For the loss of one of the toes other than a great toe, fifty per centum of average weekly wages during ten weeks;

The loss of the first phalange of any toe shall be considered to be equal to the loss of one-half of such toe, and compensation shall be one-half of the amount above specified;

The loss of more than one phalange shall be considered as the loss of the entire toe;

For the loss of a hand, fifty per centum of average weekly wages during one hundred and fifty weeks;

For the loss of an arm, fifty per centum of average weekly wages during two hundred weeks;

For the loss of a foot, fifty per centum of average weekly wages during one hundred and twenty-five weeks;

For the loss of a leg, fifty per centum of average weekly wages during one hundred and seventy-five weeks;

For the loss of an eye, fifty per centum of average weekly wages during one hundred weeks;

The loss of both hands, or both arms, or both feet, or both legs, or both eyes, or of any two thereof, shall constitute total and permanent disability, to be compensated according to the provisions of section nine.

The amounts specified in this clause are all subject to the same limitations as to maximum and minimum as above stated.

Section 11. The term "average weekly wages" as used in this act is defined to be one fifty-second part of the average annual earnings of the employee. If the injured employee has not worked in the employment in which he was working at the time of the accident, whether for the employer or not, during substantially the whole of the year immediately preceding his injury, his average annual earnings shall consist of three hundred times the average daily wage or salary which he has earned in such employment during the days when so employed. If the injured employee has not worked in such employment during substantially the whole of such immediately preceding year, his average annual earnings shall consist of three hundred times the average daily wage or salary which an employee of the same class working substantially the whole of such immediately preceding year in the same or a similar employment in the same or a neighboring place, shall have earned in such employment during the days when so employed. In cases where the foregoing methods of arriving at the average earning of the injured employee cannot reasonably and fairly be applied, such annual earnings shall be taken at such sum as, having regard to the previous earnings of the injured employee, and of other employees of the same or most similar class, working in the same or most similar employment, in the same or neighboring locality, shall reasonably represent the annual earning capacity of the injured employee at the time of the accident in the employment in which he was working at such time. The fact that an employee has suffered a previous disability, or received compensation therefor, shall not preclude compensation for a later injury, or for death, but in determining compensation for the later injury, or death, his average annual earnings shall be such sum as will reasonably represent his annual earning capacity at the time of the later

injury in the employment in which he was working at such time, and shall be arrived at according to and subject to the limitations of the provisions of this section. The weekly loss in wages referred to in this act shall consist of such percentage of the average weekly earnings of the injured employee, computed according to the provisions of this section, as shall fairly represent the proportionate extent of the impairment of his earning capacity in the employment in which he was working at the time of the accident, the same to be fixed as of the time of the accident, but to be determined in view of the nature and extent of the injury.

Section 12. The death of the injured employee prior to the expiration of the period within which he would receive such weekly payments shall be deemed to end such disability, and all liability for the remainder of such payments which he would have received in case he had lived shall be terminated, but the employer shall thereupon be liable for the following death benefits in lieu of any further disability indemnity:

If the injury so received by such employee was the proximate cause of his death, and such deceased employee leaves dependents, as hereinbefore specified, wholly or partially dependent on him for support, the death benefit shall be a sum sufficient, when added to the indemnity which shall at the time of death have been paid or become payable under the provisions of this act to such deceased employee, to make the total compensation for the injury and death exclusive of medical and hospital services and medicines furnished as provided in section four hereof, equal to the full amount which such dependents would have been entitled to receive under the provisions of section five hereof in case the accident had resulted in immediate death, and such benefits shall be payable in weekly installments in the same manner and subject to the same terms and conditions in all respects as payments made under the provisions of said section five.

Section 13. No savings or insurance of the injured employee, nor any contribution made by him to any benefit fund or protective association independent of this act, shall be taken into consideration in determining the compensation to be paid hereunder, nor shall benefits derived from any other source than those paid or caused to be paid by the employer as herein provided, be considered in fixing the compensation under this act.

Section 14. If an injured employee is mentally incompetent or is a minor at the time when any right or privilege accrues to him under this act, his guardian or next friend may in his behalf claim and exercise such right or privilege.

Section 15. No proceedings for compensation for an injury under this act shall be maintained, unless a notice of the injury shall have been given to the employer three months after the happening thereof, and unless the claim for compensation with respect to such injury shall have been made within six months after the occurrence of the same; or, in case of the death of the employee, or in the event of his physical or mental incapacity, within six months after death or the removal of such physical or mental incapacity.

Section 16. The said notice shall be in writing, and shall state in ordinary language the time, place and cause of the injury; and shall be signed by the person injured, or by person in his behalf, or, in the event of his death, by his dependents or by a person in their behalf.

Section 17. The notice shall be served upon the employer or an agent thereof. Such service may be made by delivering said notice to the person on whom it is to be served, or leaving it at his residence or place of business, or by sending it by registered mail addressed to the person or corporation on whom it is to be served, at his last known residence or place of business.

Section 18. A notice given under the provisions of this act shall not be held invalid or insufficient by reason of any inaccuracy in stating the time, place or cause of the injury, unless it is shown that it was the intention to mislead, and the employer, or the insurance company carrying such risk, or the commissioner of insurance, as the case may be, was in fact misled thereby. Want of such written notice shall not be a bar to proceedings under this act, if it be shown that the employer had notice or knowledge of the injury.

Section 19. After an employee has given notice of an injury, as provided by this act, and from time to time thereafter during the continuance of his disability, he shall, if so requested by the employer, or the insurance company carrying such risk, or the commissioner of insurance, as the case may be, submit himself to an examination by a physician or surgeon authorized to practice medicine under the laws of the state, furnished and paid for by the employer, or the insurance company carrying such risk, or the commissioner of insurance, as the case may be. The employee shall have the right to have a physician provided and paid for by himself present at the examination. If he refuses to submit himself for the examination, or in any way obstructs the same, his right to compensation shall be suspended, and his compensation during the period of suspension may be forfeited. Any physician who shall make or be present at any such examination may be required to testify under oath as to the results thereof.

Section 20. No agreement by an employee to waive his rights to compensation under this act shall be valid.

Section 21. No payment under this act shall be assignable or subject to attachment or garnishment, or be held liable in any way for any debts. In case of insolvency every liability for compensation under this act shall constitute a first lien upon all the property of the employer liable therefor, paramount to all other claims or liens except for wages and taxes, and such liens shall be enforced by order of the court.

Section 22. Whenever any weekly payment has been continued for not less than six months, the liability therefor may be redeemed by the payment of a lump sum by agreement of the parties, subject to the approval of the industrial accident board, and said board may at any time direct in any case, if special circumstances be found which in its judgment require the same, that the deferred payments be commuted on the present worth thereof at five per cent per annum to one or more lump sum payments, and that such payments shall be made by the employer or the insurance company carrying such risk, or commissioner of insurance, as the case may be.

Section 23. All compensation paid or to be paid under this act by any employer, being an incorporated public board, or public commission shall be treated as part of the necessary operating expenses thereof, and all sums and amounts of money required therefor may be embraced in any requisition authorized by law to be made upon any other public corporation, body or

officer for moneys for the use of such employer in addition to all other sums authorized by law, or separate requisition therefor may be made in like manner; and the same shall be allowed and paid to such employer in the same manner as other moneys are required to be allowed and paid for the use of such employer; or the same may be embraced in any report or requirement authorized by law to be made to or upon any other public corporation, or officer, of sums of money to be levied as taxes for the use of such employer, in addition to all other sums authorized by law, or separate report or requirement thereof may be made in like manner; and the same shall be levied, collected and paid as other amounts for taxes are required to be levied, collected and paid for the use of such employer.

PART III

PROCEDURE

Section 1. There is hereby created a board which shall be known as the Industrial Accident Board, consisting of three members to be appointed by the governor, by and with the consent of the senate, one of whom shall be designated by the governor as chairman. Appointments to fill vacancies may be made during recesses of the senate, but shall be subject to confirmation by the senate at the next ensuing session of the legislature. The term of office of members of this board shall be six years, except that when first constituted one member shall be appointed for two years, one for four years, and one for six years. Thereafter one member shall be appointed every second year for the full term of six years. No more than two members of this board shall belong to the same political party.

Section 2. The salary of each of the members so appointed by the governor shall be three thousand five hundred dollars per year. The board may appoint a secretary at a salary of not more than two thousand five hundred dollars a year, and may remove him. The board shall be provided with an office in the capitol, or in some other suitable building in the city of Lansing, in which its records shall be kept, and it shall also be provided with necessary office furniture, stationery and other supplies. It shall provide itself with a seal for the authentication of its orders, awards and proceedings, upon which shall be inscribed the words "Industrial Accident Board—Michigan—Seal." It shall employ such assistants and clerical help as it may deem necessary and fix the compensation of all persons so employed: Provided, That the average compensation paid to such employee shall not exceed one thousand dollars per annum for each person employed, and all such clerical assistants shall be subject to existing laws regulating the grading and compensation of department clerks. The members of the board and its assistants shall be entitled to receive from the state their actual and necessary expenses while traveling on the business of the board; but such expenses shall be sworn to by the person who incurred the same, and be approved by the chairman of the board before payment is made.

All such salaries and expenses when audited and allowed by the board of state auditors, shall be paid by the state treasurer out of the general fund, upon warrant of the auditor general.

Section 3. The board may make rules not inconsistent with this act for carrying out the provisions of the act. Process and procedure under this act shall be as summary as reasonably may be. The board or any member thereof shall have the power to administer oaths, subpœna witnesses and to examine such parts of the books and records of the parties to a proceeding as relate to questions in dispute.

Section 4. The board shall cause to be printed and furnish free of charge to any employer or employee such blank forms as it shall deem requisite to facilitate or promote the efficient administration of this act; it shall provide a proper record book in which shall be entered and indexed the name of any employer who shall file a statement of election under this act, and the date of the filing thereof and its approval by such board, and a separate book in which shall be entered and indexed the name of every employer who shall file his notice of withdrawal of said election, and the date of the filing thereof; and books in which shall be recorded all orders and awards made by the board; and such other books or records as it shall deem required by the proper and efficient administration of this act; all such records to be kept in the office of the board. Upon the filing of a statement of election by an employer to become subject to the provisions of this act, the board shall forthwith cause such notice of the fact to be given by requiring said employer to post such notice as hereinbefore provided; and the board shall likewise cause notice to be given of the filing of any withdrawal of such election; but notwithstanding the failure to give, or the insufficiency of, any such notice, knowledge of all filed statements of election and notice of withdrawal of election, and of the time of the filing of the same, shall conclusively be imputed to all employees.

Section 5. If the employer, or the insurance company carrying such risk, or commissioner of insurance, as the case may be, and the injured employee reach an agreement in regard to compensation under this act, a memorandum of such agreement shall be filed with the industrial accident board, and, if approved by it, shall be deemed final and binding upon the parties thereto. Such agreements shall be approved by said board only when the terms conform to the provisions of this act.

Section 6. If the employer, or the insurance company carrying such risk, or the commissioner of insurance, as the case may be, and the employee fail to reach an agreement in regard to compensation under this act, either party may notify the industrial accident board, who shall thereupon call for the formation of a committee of arbitration. The committee of arbitration shall consist of three members, one of whom shall be a member of the industrial accident board, and shall act as chairman. The other two members shall be named respectively by the two parties.

Section 7. It shall be the duty of the industrial accident board, upon notification that the parties have failed to reach an agreement, to request both parties to appoint their respective representatives on the committtee of arbitration. The board shall designate one of its members to act as chairman, and, if either party does not appoint its member on this committee within seven days after notification as above provided, the board or any member thereof shall fill the vacancy and notify the parties to that effect.

Section 8. The committee of arbitration shall make such inquiries and investigations as it shall deem necessary. The hearings of the committee shall be held at the locality where the injury occurred, and the decision of the committee shall be filed with the industrial accident board. Unless a claim for a review is filed by either party within seven days, the decision shall stand as the decision of the industrial accident board: Provided, That said industrial accident board may, for sufficient cause shown, grant further time in which to claim such review.

Section 9. The industrial accident board or any member thereof may appoint a duly qualified impartial physician to examine the injured employee and to report. The fee for this service shall be five dollars and traveling expenses, but the board may allow additional reasonable amounts in extraordinary cases.

Section 10. The arbitrators named by or for the parties to the dispute shall each receive five dollars a day for his services, but the industrial accident board or any member thereof may allow additional reasonable amounts in extraordinary cases. The fees of such arbitrators and other costs of such arbitration, not exceeding, however, the taxable costs allowed in suits at law in the circuit courts of this state, shall be fixed by the board and paid by the state as the other expenses of the board are paid. The fees and the payment thereof of all attorneys and physicians for services under this act shall be subject to the approval of the industrial accident board.

Section 11. If a claim for review is filed, as provided in part three, section eight, the industrial accident board shall promptly review the decision of the committee of arbitration and such records as may have been kept of its hearings, and shall also if desired hear the parties, together with such additional evidence as they may wish to submit, and file its decision therein with the records of such proceedings. Such review and hearing may be held in its office at Lansing or elsewhere as the board shall deem advisable.

Section 12. The findings of fact made by said industrial accident board acting within its powers, shall, in the absence of fraud, be conclusive, but the supreme court shall have power to review questions of law involved in any final decision or determination of said industrial accident board: Provided, That application is made by the aggrieved party within thirty days after such determination by certiorari, mandamus or by any other method permissible under the rules and practice of said court or the laws of this state, and to make such further orders in respect thereto as justice may require.

Section 13. Either party may present a certified copy of the decision of such industrial accident board approving agreements of settlements as provided in part three, section five hereof, or of the decision of such committee of arbitration when no claim for review is made as provided in part three, section eight, or of the decision of such industrial accident board when a claim for review is filed as provided in part three, section eleven, providing for payment of compensation under this act, to the circuit court for the county in which such accident occurred, whereupon said court shall, without notice, render a judgment in accordance therewith against said employer and also against any insurance company carrying such risk under the provisions of this act; which judgment, until and unless set aside shall have the same

effect as though duly rendered in an action duly tried and determined by said court, and shall, with like effect, be entered and docketed.

Section 14. Any weekly payment under this act may be reviewed by the industrial accident board at the request of the employer or the insurance company carrying such risks, or the commissioner of insurance as the case may be, or the employee; and on such riview it may be ended, diminished or increased, subject to the maximum and minimum amounts above provided, if the board finds that the facts warrant such action.

Section 15. Where the injury for which compensation is payable under this act was caused under circumstances creating a legal liability in some person other than the employer to pay damages in respect thereof, the employee may at his option proceed either at law against that person to recover damages, or against the employer for compensation under this act, but not against both, and if compensation be paid under this act the employer may enforce for his benefit or for that of the insurance company carrying such risk, or the commissioner of insurance, as the case may be, the liability of such other person.

Section 16. All questions arising under this act, if not settled by agreement by the parties interested therein, shall, except as otherwise herein provided, be determined by the industrial accident board.

Section 17. Every employer shall hereafter keep a record of all injuries, fatal or otherwise, received by his employees in the course of their employment. Within ten days after the occurrence of an accident resulting in personal injury a report thereof shall be made in writing to the industrial accident board on blanks to be procured from the board for that purpose. The said reports shall contain the name and nature of the business of the employer, the location of his establishment or place of work, the name, age, sex and occupation of the injured employee, and shall state the time, the nature and cause of the injury, and such other information as may be required by the board. Any employer who refuses or neglects to make the report required by this section shall be punished by a fine of not more than fifty dollars for each offense.

Section 18. The board may appoint an assistant secretary at a salary of not more than fifteen hundred dollars a year to be paid as other state employees are paid.

Section 20.* [Added by House Bill 345, Public Acts of 1915.] The board may appoint not to exceed two deputy commissioners who shall hold office during its pleasure. Such deputy commissioners shall take and subscribe the constitutional oath of office, have power to administer oaths, certify official acts, take depositions, issue subpœnas to compel the attendance of witnesses and the production of books, accounts and papers, and under the direction of the board any such deputy may conduct an investigation, inquiry, hearing or arbitration in the same manner and with like effect as if done by a member of the board. The salary of such deputies shall be fixed by the board, not exceeding in any case eighteen hundred dollars per year.

---

* So numbered in bill.

PART IV

METHOD OF PAYMENT

Section 1. [As amended by House Bill 342, Public Acts of 1915.] Every employer filing his election to become subject to the provisions of this act, as hereinbefore set forth, shall have the right to specify at the time of doing so, subject to the approval of said industrial accident board, which of the following methods for the payment of such compensation he desires to adopt, to-wit:

First. Upon furnishing satisfactory proof to said board of his insolvency and financial ability to pay the compensation and benefits hereinbefore provided for, to make such payments directly to his employees, as they may become entitled to receive the same under the terms and conditions of this act; or

Second. To insure against such liability in any employers' liability company authorized to take such risks in the state of Michigan; or

Third. To insure against such liability in any employers' insurance association organized under the laws of the state of Michigan; or

Fourth. To request the commissioner of insurance of the state of Michigan to assume the administration of the disbursement of such compensation and the collection of the premiums and assessments necessary to pay the same, as provided in part five hereof. Said board, however, shall have the right from time to time to review and alter its decision in approving the election of such employer to adopt any one of the foregoing methods of payment, if in its judgment such action is necessary or desirable to secure and safeguard such payments to employees.

Section 2. Nothing herein shall affect any existing contract for employers' liability insurance or affect the organization of any mutual or other insurance company, or any arrangement now existing between employers and employees, providing for the payment to such employees, their families, dependents or representatives, sick, accident or death benefits, in addition to the compensation provided for by this act. But liability for compensation under this act shall not be reduced or affected by any insurance, contribution or other benefit whatsoever, due to or received by the person entitled to such compensation, and the person so entitled shall, irrespective of any insurance or other contract, have the right to recover the same directly from the employer; and in addition thereto, the right to enforce in his own name in the manner provided in this act the liability of any insurance company or of any employers' association organized under the laws of the state of Michigan, or the commissioner of insurance, who may, in whole or in part, have insured the liability for such compensation: Provided, however, That payment in whole or in part of such compensation by either the employer, or the insurance company carrying such risk, or the commissioner of insurance, as the case may be, shall, to the extent thereof be a bar to recovery against the other, of the amount so paid.

Section 3. Every contract for the insurance of the compensation herein provided for, or against liability therefor, shall be deemed to be made

subject to the provisions of this act, and provisions thereof inconsistent with this act shall be void. No company shall enter into any such contract for insurance, unless such company shall have been approved by the commissioner of insurance as provided by law.

Section 4. Any employer against whom liability may exist for compensation under this act may, with the approval of the industrial accident board, be relieved therefrom by:

1. Depositing the present value of the total unpaid compensation for which such liability exists, assuming interest at three per centum per annum, with such trust company of this state as shall be designated by the employee, or by his dependents, in case of his death, and such liability exists in their favor, or in default of such designation by him, or them, after ten days' notice in writing from the employer, with such trust company of this state as shall be designated by the industrial accident board; or

2. By the purchase of an annuity, within the limitation provided by law, in any insurance company granting annuities and licensed in this state, which may be designated by the employee, or his dependents, or the industrial accident board, as provided in sub-section one of this section.

PART V

ADMINISTRATION BY COMMISSIONER OF INSURANCE

Section 1. [As amended by Senate Bill 268, Public Acts of 1915.] Whenever five or more employers, who have become subject to the provisions of this act, and who have on their pay rolls an aggregate number of not less than three thousand employees, shall in writing request the commissioner of insurance so to do, he shall assume charge of levying and collecting from them such premiums or assessments as may from time to time be necessary to pay the sums which shall become due their employees, or dependents of their employees, as compensation under the provisions of this act, and also the expense of conducting the administration of such funds; and shall disburse the same to the persons entitled to receive such compensation under the provisions of this act: Provided, however, That neither the commissioner of insurance nor the state of Michigan shall become or be liable or responsible for the payment of claims for compensation under the provisions of this act beyond the extent of the funds so collected and received by him as hereinafter provided.

Section 2. [As amended by Senate Bill 268, Public Acts of 1915.] The commissioner of insurance shall immediately upon assuming the administration of the collection and disbursement of the moneys referred to in the preceding section, cause to be created in the state treasury a fund to be known as "Accident Fund." Each such employer shall contribute to this fund to the extent of such premiums or assessments as the commissioner shall deem necessary to pay the compensation accruing under this act to employees of such employers or to their dependents, and also the expense of the administration of said accident fund, which premiums and assessments shall be levied in the manner and proportion hereinafter set forth. There shall be

maintained in said accident fund a sufficient amount of cash to pay current losses and expenses, and the balance may be invested by the commissioner of insurance and the state treasurer acting together, in such securities as are specified in section four of act number seventy-seven of the Public Acts of eighteen hundred sixty-nine, for deposit by insurance companies with the state treasurer. All such securities shall be purchased and may be sold at such time, in such manner and in accordance with such rules and conditions as may be prescribed and required by the joint action of said insurance commissioner and state treasurer: Provided, however, That no such investment shall be made nor any securities sold or disposed of except by and with the consent and approval in writing of the board of state auditors. The commissioner of insurance shall give a good and sufficient bond in the sum of twenty-five thousand dollars, executed by some surety company authorized to do business in the state of Michigan, covering the collection and disbursement of all moneys that may come into his hands under the provisions of this act. The premium on said bond shall be paid out of the general funds of the state on the order of the auditor general. Said bond must be approved by the board of state auditors.

Section 3. It is the intention that the amounts raised for such fund shall ultimately become neither more nor less than self-supporting, and the premiums or assessments levied for such purpose shall be subject to readjustment from time to time by the commissioner of insurance as may become necessary.

Section 4. [As amended by Senate Bill 268, Public Acts of 1915.] The commissioner of insurance may classify the establishments or works of such employers in groups in accordance with the nature of the business in which they are engaged and the probable risk of injury to their employees under existing conditions. He shall determine the amount of the premiums or assessments which such employers shall pay to said accident fund, and may prescribe when and in what maner such premiums and assessments shall be paid, and may change the amount thereof both in respect to any or all of such employers from time to time, as circumstances may require, and the condition of their respective plants, establishments or places of work in respect to the safety of their employees may justify, but all such premiums or assessments shall be levied on a basis that shall be fair, equitable and just as among such employers.

Section 5. [As amended by Senate Bill 268, Public Acts of 1915.] All premiums or assessments shall be due and payable within forty-five days from the date on which the insurance became effective and formal demand for the payment of such premium shall be made within thirty days from said date. If any employer shall make default in the payment of any contribution, premium, or assessment required as aforesaid by the commissioner of insurance, the insurance of such employer shall become void and the sum due for the period insured shall be collected by an action at law in the name of the state as plaintiff and such right of action shall be in addition to any other right of action or remedy. In case any injury happens to any of the workmen of such employer after the default in the payment of any such premium, assessment or contribution, the defaulting employer shall not, if such

default be fifteen days after demand for payment, be entitled to the benefits of this act, but shall be liable to suit by the injured workman, or by his dependents in case death results from such accident, as if he had not elected to become subject to this act.

Section 6. [As amended by Senate Bill 268, Public Acts of 1915.] Every employer requesting insurance under the administration of the commissioner of insurance shall upon complying with the rules and regulations adopted by said commissioner of insurance, be furnished with a certificate showing the date on which such insurance becomes effective. Such insurance shall be in force for a period of one year, and may be renewed for subsequent periods of one year providing such employer shall have complied with all of the rules and regulations adopted by the commissioner of insurance.

Section 7. In case any controversy shall arise between the commissioner of insurance and any employer subject to the provisions of part five of this act, relative to any rule or regulation adopted by said commissioner of insurance, or any decision made by him in respect to the collection, administration and disbursement of such funds, or in case any controversy shall arise between any employee claiming compensation under the provisions of this act and said commissioner of insurance, all such controversies of every kind and nature shall be subject to review in like manner and with the same force and effect in all respects as is heretofore provided in respect to differences arising through the administration of such funds by the employer, or by a liability insurance company or by an employers' mutual insurance association.

Section 8. [As amended by Senate Bill 268, Public Acts of 1915.] The books, records and pay rolls of each employer subject to the provisions of part five of this act shall always be open to inspection by the commissioner of insurance, or his duly authorized agent or representative, for the purpose of ascertaining the correctness of the amount of the pay roll reported, the number of men employed, and such other information as said commissioner may require in the administration of said funds. Refusal on the part of any such employer to submit said books, records and pay rolls for such inspection, shall subject the offending employer to a penalty of fifty dollars for each offense, to be collected by civil action in the name of the state and paid into the accident fund, and the individual who shall personally give such refusal shall be guilty of a misdemeanor. Any such employer who shall knowingly submit to the commissioner of insurance a false statement of pay roll for the purpose of securing a lower premium charge shall be guilty of a misdemeanor and upon conviction shall be subject to a fine of not less than one hundred dollars, or imprisonment for not more than thirty days in the county jail or both such fine and imprisonment in the discretion of the court.

Section 9. [As amended by Senate Bill 268, Public Acts of 1915.] The commissioner of insurance shall issue proper receipts for all moneys so collected and received from employers, as aforesaid, shall take receipts for all sums paid to employees for compensation under the provisions of this act, and shall keep full and complete records of all business transacted by him in the administration of such funds. He may employ such deputies and assistants and clerical help as may be necessary, and as the board of state

auditors may authorize, for the proper administration of said funds and the performance of the duties imposed upon him by the provisions of this act, at such compensation as may be fixed by said board of state auditors, and may also remove them. The commissioner of insurance and such deputies and assistants shall be entitled to receive from the state their actual and necessary expenses while traveling on the business of the accident fund, but all such salaries and expenses so authorized by the provisions of this act shall, when audited and approved by the board of state auditors, be charged to and paid out of said accident fund. He shall include in his annual report a full and correct statement of the administration of such fund, showing its financial status and outstanding obligations, the claims contested and why, and general statistics in respect to all business transacted by him under the provisions of this act.

Section 10. [As amended by Senate Bill 268, Public Acts of 1915.] All payments on account of injuries to employees from said accident fund, shall be made only upon the certificate of the commissioner of insurance, which certificate shall be in accordance with the agreement for compensation as approved by the industrial accident board; such certificate shall be filed with the auditor general, who shall thereupon draw his warrant on the state treasurer against said accident fund.

Section 11. [As amended by Senate Bill 268, Public Acts of 1915.] If this act shall be hereafter repealed (or if it shall in the judgment of the commissioner of insurance become necessary to dissolve the accident fund,) all moneys which are in the accident fund at such time shall be subject to disposition under the direction of the circuit court for the county of Ingham, with due regard, however, to the obligation incurred and existing to pay compensation under the provisions of this act.

PART VI

MISCELLANEOUS PROVISIONS

Section 1. If the employee, or his dependents, in case of his death, of any employer subject to the provisions of this act files any claim with, or accepts any payment from such employer, or any insurance company carrying such risks, or from the commissioner of insurance on account of personal injury, or makes any agreement, or submits any question to arbitration under this act. such action shall constitute a release to such employer of all claims or demands at law, if any, arising from such injury.

Section 2. If the provisions of this act relating to compensation for injuries to or death of workmen shall be repealed or adjudged invalid or unconstitutional, the period intervening between the occurrence of an injury or death and such repeal, or the final adjudication of invalidity, shall not be computed as a part of the time limited by law for the commencement of any action relating to such injury or death, but the amount of any compensation which may have been paid for any such injury shall be deducted from any judgment for damages recovered on account of such injury.

Section 3. This act shall not affect any cause of action existing or pending before it went into effect.

Section 4. The provisions of this act shall apply to employers and workmen engaged in intrastate commerce, and also to those engaged in interstate or foreign commerce, for whom a rule of liability or method of compensation has been or may be established by the congress of the United States, only to the extent that their mutual connection with intrastate work may and shall be clearly separable and distinguishable from interstate or foreign commerce, except that any such employer and any of his workmen working only in this state, may, subject to the approval of the industrial accident board, and so far as not forbidden by any act of congress, voluntarily accept and become bound by the provisions of this act in like manner and with the same force and effect in all respects as is hereinbefore provided for other employers and their workmen.

Section 5. All acts or parts of acts inconsistent with this act are to be deemed replaced by this act, and to that end are hereby repealed.

Section 6. The legislature intends that part five of this act shall be deemed separate from the other parts thereof, so that if said part five should fail or be adjudged invalid or unconstitutional it shall in no way affect any other part of this act.

Section 7. [As amended by House Bill 298, Public Acts of 1915.] To carry out the provisions of this act there is hereby appropriated for the expenses of the industrial accident board for the fiscal year ending June thirty, nineteen hundred sixteen, and annually thereafter, the sum of forty-five thousand dollars. The Auditor General shall add to and incorporate into the state tax the sum of forty-five thousand dollars annually, which said sum shall be included in the state taxes apportioned by the Auditor General on all taxable property of the state, to be levied, assessed and collected as other state taxes, and when so assessed and collected to be paid into the general fund to reimburse said fund for the appropriation made by this act.

Section 8. The provisions of this act shall take effect and be in force from and after September first, nineteen hundred twelve.

Approved March 20, 1912.

[Now Law. House Bill No. 309]

STATE OF MICHIGAN

Chapter —, Laws of 1915

AN ACT to provide for the licensing of adjusters of companies carrying workmen's compensation insurance and the suspension and revocation of such licenses.

The People of the State of Michigan Enact:

Section 1. No person, partnership, association or corporation shall, after this act takes effect, engage in the business of adjusting claims for compensation under act number ten of the Public Acts of nineteen hundred twelve, and acts amendatory thereto, for companies carrying workmen's compensation insurance, without first procuring a certificate of authority to act as such adjuster from the Commissioner of Insurance of this State. The Commissioner of Insurance shall issue such adjuster's certificate of authority only to persons, partnerships, associations or corporations applying therefor, who are trustworthy and competent to transact such business in such manner as to safeguard the interests of the public. Every person, partnership, association or corporation to whom such certificate is issued shall pay to the Commissioner of Insurance as a license fee therefor the sum of two dollars to be paid into the State Treasury of this State as other fees paid to such commissioner.

Section 2. Such license and certificate of authority may be suspended or revoked by the Commissioner of Insurance for fraud or serious misconduct on the part of any such adjuster. Before revoking the licensing of any adjuster under this act, the commissioner shall give notice in writing to such adjuster of the charges of fraud or misconduct preferred against him, and shall give such adjuster full opportunity to be heard in relation to the same.

Section 3. Any person, partnership, association or corporation or their agents or employees violating the provisions of this act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not more than one hundred dollars, and in default of the payment thereof shall be imprisoned in the county jail for not more than thirty days, or by both such fine and imprisonment in the discretion of the court.

Approved by Governor, May 6, 1915.

Effective August 24, 1915.

[Now Law. Senate Bill No. 281]

STATE OF MICHIGAN

Chapter —, Laws of 1915

AN ACT to prevent discrimination in the classification of risks and in the premiums or allowances thereon made or charged by insurers insuring employers against the liability provided for by Act No. 10 of the Public Acts of 1912, First Extra Session, as amended, and to provide for the determination of such discrimination, and to provide a penalty for the violation of this act.

The People of the State of Michigan Enact:

Section 1. Every employers' liability company and every employers' insurance association insuring employers against the liability provided for by Act No. 10 of the Public Acts of 1912, First Extra Session, as amended, shall file with the insurance commissioner of the state its classification of risks and normal premiums relating thereto together with any and all reasonable percentage of allowance made upon such premiums above or below the said normal premium for increased or diminished hazards in said classifications of risks. The classifications so filed shall be classifications upon which the insurer filing same shall classify its risks and the premiums and percentage of allowances thereon shall be the premiums which must be charged by the insurer, filing same, on its risks until such classification and premiums and percentage allowances shall be changed as herein provided.

Section 2. No insurer against liability provided for in this act shall fix any classification or allowance or charge any premium against liability under said Act No. 10 of the Public Acts of 1912 which is unreasonable or which discriminates unfairly between risks in the application of like charges and credits, or which discriminates unfairly between risks on essentially the same hazards and having substantially the same degree of protection against accident.

Section 3. Any deviation of any such insurer from the classifications and schedules of premiums and percentages relating hereto, as filed with the insurance commissioner shall be uniform in its application to all the risks in the class for which the deviation is made, and no such uniform deviation shall be made unless notice thereof shall be filed with the insurance commissioner of the state at least fifteen days before such uniform deviation is in effect.

Section 4. The state banking commissioner, the attorney-general and the commissioner of insurance of this state shall constitute a commission, and upon written complaint or upon its own information that discrimination in classification of risks or in the normal premiums relating thereto, or in any percentage of allowance upon such premiums exist, or that any such classification of risks, or that any premiums or any percentage of allowance upon such premiums discriminates between risks of essentially the same hazard and having substantially the same degree of protection against accident, the commission may order a hearing for the purpose of determining such questions of discrimination and the review of such classification of risks, such

premiums or such percentage allowance before said commission shall be had only after due notice to all parties interested, and if upon such hearing the commission shall determine that said classification, such premium or premiums or such percentage allowance is or are discriminatory, it shall have power to order the discrimination removed. Any party in interest being dissatisfied with any order of the commission may within thirty days from the issuance of such order and notice thereof commence an action in the circuit court in chancery for the county of Ingham against the commission, as defendant, to vacate and set aside any such order upon the ground that such order is unlawful or unreasonable; in which suit the commission shall be served with a subpœna and a copy of the complaint. The commission shall file its answer and on leave of court any interested party may file an answer to said complaint. Upon the filing of the answer of the commission said action shall be at issue and stand ready for hearing upon ten days' notice by either party. The said circuit court for the county of Ingham in chancery is hereby given jurisdiction of such suits and empowered to affirm, vacate or set aside the order of commission in whole or in part, and to make such other order or decree as the court shall decide to be in accordance with the facts and the law. During pendency of such proceedings the order shall be suspended, and in the event of final determination against any insurer, any over-charge during the pendency of such proceedings shall be refunded by the insurer to the persons entitled thereto.

Approved by Governor, May 11, 1915.

Effective August 24, 1915.

[Now Law. Senate Bill No. 386]

STATE OF MICHIGAN

Chapter —, Laws of 1915

AN ACT to allow mutual liability companies of the State of Michigan and of the other states to do business within this State.

The People of the State of Michigan Enact:

Section 1. It shall be lawful for any mutual liability company organized under the laws of the state of Michigan, or any other state of the United States, and being possessed of at least five hundred thousand dollars of actual net cash assets, to transact the business of employers' liabiliy insurance in this state, upon receiving from the commissioner of insurance a certificate of auhority, and upon compliance with all other provisions of law relative to the operation of insurance companies transacting liability insurance business, except as to capital stock. Such amount of five hundred thousand dollars shall be deemed to be actual capital of such company and shall be treated as capital by the commissioner of insurance in determining the solvency of such company.

Section 2. All acts or parts of acts contravening the provisions of this act are hereby repealed.

Approved by Governor, May 11, 1915.

Effective August 24, 1915.